GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1681
ANSWERED ON:04.08.2005
JOINT VENTURE BETWEEN HAL AND SNECMA MOTEURS
Adsul Shri Anandrao Vithoba

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has approved the creation of a joint venture between the Hindustan Aeronautics Limited and French firm Snecma Moteurs to manufacture spare parts and aircraft engines;

(b) if so, the terms and conditions thereof;

(c) the time by which joint venture company will start production; and

(d) the extent to which India's export will be increased after the formation of JV company?

Answer

MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY KRISHNA HANDIQUE)

(a) Government have approved the formation of a Joint Venture Company (JVC) between Hindustan Aeronautics Limited (HAL) and Snecma, France.

(b) The JVC is to establish a Centre of Excellence for production of civil engine components and assemblies at Bangalore. The JVC will be managed by an independent Board of Directors. Equity participation by HAL & Snecma in the JVC will be on 50:50 basis.

(c) The JVC is expected to commence production in 2006.

(d) The export turnover is expected to be around Rs. 40 crores per annum.